WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY DEPUTY M.B. ANDREWS OF ST. HELIER NORTH
QUESTION SUBMITTED ON MONDAY 26th OCTOBER 2026
ANSWER TO BE TABLED ON MONDAY 2nd NOVEMBER 2026

Question

"Will the Minister provide the following information –

(a) the total amount of the States Grant to the Social Security Fund that was withheld for the period since the Covid-19 pandemic (March 2020) to date;
(b) the total amount transferred from the Social Security (Reserve) Fund to the Social Security Fund during the same period; and
(c) the estimated current value of the Social Security (Reserve) Fund had the States Grant to the Social Security Fund been applied in full across the same period?"

Answer

a) Since the pandemic, the Government has made contributions to the Social Security Fund through the States Grant that are forecast to reach £131 million by the end of 2026. The amount paid each year is the amount set out in the Social Security Law. States members have taken a number of decisions to set a specific value for the States Grant for a specific year during this time.

When compared with the underlying formula included in the Law, the grants paid represent an adjustment of £422 million. In comparison, taking the latest forecasts into account, during the same period the Social Security (Reserve) Fund will have grown by £548 million.

£000s	2020	2021	2022	2023	2024	2025	2026	Total
Full States Grant Formula Value	65,300	65,000	80,000	77,000	77,596	90,368	97,027	552,291
States Grant allocated	-	-	-	-	77,596	30,368	22,768	130,732
Total adjustment	**65,300**	**65,000**	**80,000**	**77,000**	**-**	**60,000**	**74,259**	**421,559**

The adjustments made during this period reflect the strong financial position of the Social Security (Reserve) Fund. Primarily as a result of investment returns exceeding expectations, the Fund has grown significantly faster than anticipated when the original States Grant formula was established. This strength has allowed the Government to put forward proposals for temporary adjustments to the level of the States Grant to fund urgent priorities. Each proposal for a variation from the underlying formula is then subject to a law change and a debate in the States Assembly.

The Government spent more than £360 million to support the Island through the Covid-19 pandemic. This funded the public health response, including the Test and Trace Programme as well as economic support measures such as the Co-Funded Payroll Scheme and Fiscal Stimulus Fund. Adjusting the level of the States Grant played a significant role in enabling this expenditure, reducing its impact on wider public services, and allowing for short-term borrowing that was incurred to be repaid.

Further temporary adjustments in 2025 and 2026 enabled investment in healthcare, children's services, and support for Islanders including the following specific investments:

- £27 million p.a. – investment in Health and Care Jersey that included £8 million for Digital Health and £4 million for Preventative Health schemes
- £18 million one-off – for the Loving Homes programme to expand and improve residential care facilities for children
- £20 million one-off – for the Better Business Support package to help businesses manage the transition to the living wage
- £8 million p.a. – for the Children's Services Improvement Programme to strengthen provision for looked after children
- £5 million p.a. – to introduce subsidised early years provision for 2 to 3-year olds and make improvements in education through the teachers' terms and conditions
- £2 million p.a. – additional support for Islanders including expanded eligibility for Pension Plus and the 2026 Back-to-School Bonus

b) Since the pandemic, a total of £397 million has been transferred out of the Social Security (Reserve) Fund to the Social Security Fund.

The Social Security scheme holds ringfenced money in two funds. The Social Security Fund is an operational Fund used to meet weekly benefit payments and administrative costs. This Fund maintains an appropriate cash balance with spare funds placed on short-term deposit to maintain income.

The Social Security (Reserve) Fund acts as an investment fund to hold and manage the large reserves that have built up this century. Funds are invested according to an agreed investment strategy and managed by specialist investment managers. By design, money will be transferred between the two funds as needed.

£000s	2020	2021	2022	2023	2024	2025	2026	Total
Transfers from SSRF to SSF	55,000	60,000	78,500	89,000	-	-	114,259[1]	396,759

c) Assuming that the additional grant would have reduced transfers from the Social Security (Reserve) Fund or resulted in additional transfers into the Fund, and that the Fund would have achieved the same investment returns, it is estimated that the Reserve Fund balance would be £3.1 billion

[1] Based on current forecast, it reflects £64 million for 2026 and £50 million in respect of the adjustment to the States Grant for 2025